November 2, 1992

Fr: Keith Jordan
To: Jon McIntire

Re: Current Whole Earth Financial Situation

Jon,

I know that you ~~are~~ have been in an emotionally demanding situation ~~now~~ in St. Louis. I hope things ~~are going~~ went as well as can be expected for your mother and I want you to know that everyone's best wishes are with you from here. I also am aware that the challenge of the current financial situation here at WE is an additional cause of concern (and possible stress) for you. I want you to know that everyone here is supportive of your efforts to guide the organization to the next level -- and that you can count on our help and creativity in getting us all there.

What I am sending you now is some information to chew over in preparation for the planning and action which we will need to take upon your return. There are two main elements to consider when looking at our financial circumstances. First is the immediate cash flow shortfall (which Christine and I estimate at $20,000 to $35,000). Second is the need to significantly increase net revenues in order to cover our higher level of expenses for 1993 (I estimate a necessary minimum cumulative net increase by the end of 1993 of between $80,000 and $160,000).

I am enclosing the following:

- A page with a summary of Point's "Management Overhead Expenses" for 1990 to 1993. This is to give you some idea of how those expenses have been growing. If we use 1991 as a "baseline" amount -- the amount necessary to manage WER, but not enough to pursue substantial new projects -- we get some idea of what kind of funding is needed from non-WER sources.

- On that same page, an estimate of our "Cumulative Additional Revenue Needs" at various points over the next two years.

- Two pages of "Financial Scenarios" -- these are the building blocks identifying possible revenues and expenses which I have developed in brainstorming with some of the other people here (especially Christine, Tom, Richard and Janu). These ideas and figures should provide a basis for developing a strategy for meeting our revenue needs over the next two years.

I believe we are on the track to develop effective responses to the challenges we face. I hope these numbers give you a fuller sense of where we stand. I would like to arrange for you Christine, Marly, Tom and I to meet immediately upon your return (Weds. morning, perhaps?). After we have met, we can also inform the Board more fully of our situation (as Christine has advised).